

November 7, 2008

Mrs. Heidi Rapillo
14 Winding Lane
Scarsdale, New York 10583

Dear Heidi:

As you know, you are a co-investor with me and a group of other investors in Fingerhut Management The Waverly, LLC. Specifically, you invested a total of \$300,000.

The recent downturn in the real estate market generally and especially in Florida, has contributed to delays in our forecasts for completion of the project and sale of the units. At the present time, we are encouraged to hear that certain strategic investors have been negotiating with the project's Commercial bank to buy out its development loan at a significant discount to the original principal amount and restructure the loan with Trident Realty Corp, the project's developer. Even with a higher rate of interest on the restructured principal amount, the reduced dollar size and extended time horizons offered by the potential investors, could significantly enhance the long term sale prospects of the property.

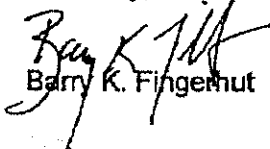
However, given the current turmoil in the credit markets, these negotiations have continued far beyond the original schedule, and in order to keep the developer solvent, I have been forced to lend the developer funds to support its operations until the anticipated resolution is reached. Over the last seven months, I have personally loaned \$829,750 to Trident to cover its operating and carrying costs for the project. However, I simply cannot continue to fund these costs on my own; therefore, I am asking for support from you and all of our co-investors to bridge the gap. Going forward, my intent is to provide additional personal loans to the developer only to the extent necessary to satisfy my pro rata share of all loans made by our group as a whole.

Specifically, we estimate that Trident may require up to \$400,000 of additional funding to cover its operating and carrying costs for the next 4-6 months. Accordingly, we ask for everyone to contribute their pro rata share toward these funding requirements, which based on your membership interest comes to \$30,634 representing a percentage of your investment to the total dollars invested in all three projects. We ask for everyone to contribute half their funding now, which comes to \$15,317. In exchange for the funding, we understand that Trident will issue short-term promissory notes to you and each other participating investor, such notes bearing interest at 10% and payable upon the earlier of two years or prior to any distribution on the LLC's equity investment in the project. Pursuant to the terms of this proposed lending arrangement,

Trident would place the proceeds from the loans in a segregated account. We expect that the funds would be released from this account only to fund the project and only upon written authorization from Fingerhut Partners, in its capacity as Manager of the LLC.

Given the urgency for immediate funding, please contact me at your earliest convenience, and in any event no later than **November 17th**, to advise of your willingness to participate for your pro rata share. Wire transfer instructions for the new segregated account are attached hereto.

Sincerely,


Barry K. Fingerhut